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Federally Chartered Banks and Thrifts May Engage in Certain Stablecoin Activities

WASHINGTON—The Office of the Comptroller of the Currency (OCC) today published a letter clarifying national banks’ and federal savings associations’ authority to hold “reserves” on behalf of customers who issue certain stablecoins.

Stablecoins refer to cryptocurrency backed by an asset such as a fiat currency, including U.S. dollars or other foreign currency.

“National banks and federal savings associations currently engage in stablecoin related activities involving billions of dollars each day,” Acting Comptroller of the Currency Brian P. Brooks said. “This opinion provides greater regulatory certainty for banks within the federal banking system to provide those client services in a safe and sound manner.”

The letter responds to questions regarding the application of stablecoin-related bank activities. It concludes national banks and federal savings associations may hold “reserves” on behalf of customers who issue stablecoins, in situations where the coins are held in hosted wallets. The letter addresses the use of stablecoins backed by a single fiat currency on a one-to-one basis where the bank verifies at least daily that reserve account balances meet or exceed the number of the issuer’s outstanding stablecoins.

Related Link:

- *Interpretive Letter*

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